

**Central Administrative Tribunal  
Madras Bench**

**OA 310/01915/2016**

**Dated Thursday the 20<sup>th</sup> day of December Two Thousand Eighteen**

**P R E S E N T**

**Hon'ble Mr. R.Ramanujam, Member(A)**

P. Ramakrishnan  
Rtd. Asst. Commissioner of Income Tax  
H-70, Sowripalayam Housing Unit  
Peela Medu, Coimbatore.

.. Applicant

By Advocate **M/s. S. N. Ravichandran**

**Vs.**

1. The Union of India  
Rep. by Administrative Officer  
O/o Addl. Commissioner of Income Tax  
Range-I, Coimbatore.
2. The Zonal Accounts Officer  
Office of the Deputy Controller of Accounts  
Aayakar Bhavan New Block  
121, Nungambakkam High Road  
Chennai – 600 034.
3. The Commissioner of Income Tax-I  
63, Income Tax Buildings  
Race Course Road  
Coimbatore – 18.

.. Respondents

By Advocate **Mr. M.T. Arunan**

## **ORAL ORDER**

Pronounced by Hon'ble Mr. R. Ramanujam, Member(A)

Heard. The applicant has filed this OA under Section 19 of the Administrative Tribunals Act, 1985 seeking the following relief:

“To direct the respondents to issue the interest of the withheld gratuity as per the order of this Tribunal.”

2. It is submitted that an amount of Rs. 2,00,200/- was deducted from the gratuity of the applicant at the time of his superannuation on 31.03.2007. The applicant filed OA 849/2007 seeking refund of the said amount which was disposed of by this Tribunal by an order dated 18.11.2008 setting aside the impugned order therein and directing that no recovery shall be made from the terminal benefits of the applicant. However, the respondents were granted liberty to proceed afresh in the matter if they so chose in accordance with law after issuing a pre-decisional notice to the applicant and affording an opportunity of being heard.

3. In compliance of the order of this Tribunal, a direction was issued by the 3<sup>rd</sup> respondent to the second respondent to release the amount withheld from gratuity by a letter dated 12.02.2009. However, the applicant was refunded the amount only on 29.12.2009 more than one year after the impugned order was set aside by this Tribunal. Accordingly, the applicant is entitled to interest on the amount 'illegally' withheld for the period from 19.11.2008 to 29.12.2009, it is contended.

4. Learned counsel for the respondents would submit that the facts of the case are

not disputed. However, there is no provision in the rules for granting interest on such delayed payments. It is submitted that the respondents had correctly determined the pay and pension of the applicant. However, they complied with the order of the Tribunal, the process of which took some time.

5. I have considered the matter. It is not in dispute that the applicant had obtained from this Tribunal a favourable order dated 18.11.2008 in OA 849/2007. A direction was also given by the third respondent to the second respondent to release the withheld amount by letter dated 12.02.2009. It is evident that the respondents had not filed any WP against the order of this Tribunal and, therefore, the order had attained finality and was accordingly binding on the respondents. Under such circumstances I consider the delay that occurred from the date of the aforesaid communication from the third respondent to the second respondent till the date of payment was wholly unwarranted. Since money has a time value, the applicant cannot be denied interest merely because the rules are silent on this issue. Accordingly the respondents are directed to pay interest to the applicant from 13.02.2009 to 29.12.2009 at the rate at which interest was payable during the said period on GPF deposits within one month from the date of receipt of copy of this order, failing which interest shall be payable on such amount at the same rate till the date of payment.

6. OA is disposed of with the above direction.

(R.Ramanujam)  
Member (A)  
20.12.2018

AS